2007 Farm Bill Listening Session Comments Bill H Martin, CVFT Executive Director July 17, 2006

I am Bill Martin, Executive Director of the Central Valley Farmland Trust. Our office is at 8788 Elk Grove Blvd, Elk Gove, CA. The Central Valley Farmland Trust is a non-profit public benefit land trust engaged in the preservation of farmland in the Central San Joaquin Valley, mainly through voluntary acquisition of agricultural conservation easements from willing landowners.

I am here today because of an acute concern over the increasing rate at which productive farmland is being lost to development in the Central San Joaquin Valley and the need to increase available funding for its preservation. I am not here because it is a "feel good" thing to do. I am here because the \$14 billion agricultural industry in the ten Counties from Kern in the South to Sutter in the north is seriously threatened. It is also important to note that this industry has far reaching economic implications and is not just a California issue. Certain commodities are grown exclusively in this region serving food consumption needs across the country.

If left to chart its own course history will repeat itself! We are all aware of what happened in the LA basin and Santa Clara Valley? No where else in California, or the world for that matter, is there an agricultural region with ability to produce the myriad of high quality crops, at unprecedented production levels, and efficiently deliver them to markets across the county and around the world.

Let me quantify the implications. In those ten counties previously mentioned, between 1990 and 2000 approximately 223,000 acres of high quality farmland was lost. And that is just high quality farmland. Total agricultural land lost to development was quite a bit higher. I don't have the exact numbers in front of me, but it is fair to say that over the last five years that rate substantially increased; It is probably closer to 90,000 acres per year. This phenomenon is driven by exploding population increases caused from immigration into California as well as migration from high priced coastal areas to the less expensive inland Valley. The loss of productive farmland is exacerbated when coupled with the difficulties municipalities have had in effectively and efficiently managing growth in their respective spheres of influence. For more objective and quantifiable evidence of this please go to American Farmland Trust's website (www.farmland.org) and read its most recent comprehensive study (Central Valley Farmland at the Tipping Point?). Citing one critical example, the study in part identifies the

proliferation of "ranchettes" as a major threat to the viability of productive farmland.

To this point the Farm and Ranchlands Protection Program administered by the Natural Resources Conservation Service has been hamstrung with basically two problems. The grant application and funding process is cumbersome, to say the least. Secondly, the funding levels in California have been woefully low in comparison to the rest of the nation. I can tell you that lack of focused staffing at NRCS and a streamlined funding process has discouraged CVFT from applying. It appears the FRPP program takes a back seat to the other programs administered at the NRCS. Because of the uniqueness of agriculture in California there is a need for greater local decision making when considering the construction and placement of agricultural conservation easements. By imposing a "one easement fits all" posture, flexibility is greatly reduced and further redundancies are created. If the program is to be successful this must not be allowed to continue.

At the national level FRPP funding since 2002 has been below \$100 million annually. Of this amount California receives only \$3 million (3%). Given the fact California is the largest agricultural producing State in the country it is safe to say there is a clear inequity at the funding level. To put this in prospective, in our sphere of influence the average cost of an agricultural conservation easement is estimated at around \$8,000 / acre (not including transaction costs). If fully utilized for the acquisition of ACE's this means only 375 acres can be preserved. From a critical mass standpoint and depending on what commodities are produced this is barely enough to sustain one small farming operation.

In closing, we have three recommendations:

- 1. Increase FRPP funding to \$300 million with a greater proportion coming to California.
- 2. Amend the program at the policy level to allow greater flexibility in the construction and placement of easements and streamline the application process.
- 3. Provide qualified and focused local staffing at NRCS to administer the FRPP, with emphasis on local decision making. Allowing local decision making will streamline the process and minimize redundancies.

Thank you for the opportunity to discuss the critical importance of farmland preservation issues in the Great San Joaquin Valley of California.